

# **Governor's Supplier Diversity Council**

## **March 1, 2018 Meeting**

### **Minutes from March 1, 2018, Governor's Supplier Diversity Council Meeting** **Video Conferenced Meeting in Department of State, Division of Small Business** **Development and Tourism in both Wilmington and Dover**

#### **Attendees:**

Present in Wilmington: Ken Anderson, Nick Callazzo III, Jayshree Moorthy, and Givvel Marrero (by phone from meeting opening until arrival at 1:41PM)

Present in Dover: Theresa Brown Edwards Esq. (by phone from meeting opening until arrival at 1:42PM), and Michelle Morin

Present on the phone: Givvel Marrero (until arrival at Wilmington meeting), Theresa Brown Edwards Esq. (until arrival at Dover meeting), Dean Stotler, Loren Hopkins Taylor, Kimberly Jones, Peter Korolyk, and Michael Bacu.

Absent: Devona Goens Williams PhD., Sakthi A. Vel PhD, Anas Ben Addi, Ron Frazier Esq., and Ralph Truitt,

Public Present in room in Wilmington: none.  
Public Present in room in Dover: none.  
Public Present on the Phone: none identified.

#### **Meeting Opened:**

Meeting Called to Order by Ken Anderson, GSDC Chair, at 1:36pm.

#### **Quorum:**

A quorum (currently requires 6 of 11 members) was not reached at the start of the meeting, with three members present. At 1:41PM a fourth member arrived, at 1:42PM a fifth member arrived. A quorum was not reached during the meeting.

#### **Prior Meeting Minutes:**

At the start of the meeting, without a quorum established, the meeting minutes from the October 17, 2017 meeting were available for review, one correction was offered. A brief discussion reviewing the financing provided to First State Community Loan Fund and West End Neighborhood House was held. The minutes for September 13, 2017 and October 17, 2017 were not voted upon, as a quorum was not reached.

#### **March 1 Meeting Notes:**

##### **Under New Business,**

Chair Ken Anderson asked for new business.

- **B2B update regarding DSBDT:** Ken Anderson shared an update regarding the Division of Small Business, Development and Tourism (DSBDT) and the Delaware Prosperity Partnership (P3); both of which replace what was formerly the Delaware Office of Economic Development Office. (DEDO). DSBDT was scheduled for an all staff meeting on February

16, which was rescheduled. There is not yet clarity with the Administration's direction for the division. Governor Carney hosted nine public forums focused on ideation to create public input. OSD participated in a number of these. Ken mentioned a disappointment that the majority of these meetings were not as diverse as hoped for, with the exception of the October 26 meeting where attendance had a good diverse representation. These meetings were indicative of statewide population and were discussion to support small businesses. The University of Delaware's Institute for Public Administration accumulated business information regarding the state and briefed DSBBDT. A planned release of information was scheduled for February 27, and that has been rescheduled. Today at 4pm, Governor Carney will announce that Mr. Kurt Foreman is named CEO of the public private partnership known as the Delaware Prosperity Partnership (DPP). Ken shared that it was previously anticipated to have a CEO by January. The DPP role will be formalized and then the DSBBDT roles will be formalized. The DSBBDT is creating advisory councils for minorities, women, and veterans, by direction of the Governor office to connect in a different way and DSBBDT is waiting to hear back from the Administration on the report.

- Nick Callazzo mentioned that he is not hearing the continuation of GSDC programming. Ken responded that none of the activity of the P3 and Division touches GSDC but mentioned that he is not receiving as much feedback as he historically had received. Michelle Morin responded that GSDC is created within former Governor Markell's Executive Order 44 and the changes to DEDO that lead to DDP and DSBBDT are from Governor Carney's Executive Order 1. They are two different Executive Orders and E.O. 44 was not impacted by E.O. 1 or the resulting legislation.
- Ken continued sharing that DSBBDT's name will likely be changed to the Division of Commerce, but it is not finalized as of yet.
- **B2G update regarding OSD:** Michelle Morin shared an update regarding the Office of Supplier Diversity and data points.
  - State spend continues to reveal increases in activity with diverse and small businesses. For FY2018, with two quarters reported, spend with diverse and small businesses is at a 30% increase over the same period last year.
  - The update regarding the outreach to the Purchase of Care providers that OSD and DHSS are collaborating about, to measure Grant Funding spend with diverse and small businesses, is a slower process than anticipated and OSD will join DHSS at the next meetings with these providers for additional outreach and continued relationship building.
  - Number of certified businesses includes:
    - Minority Business - MBE 1226
    - Women Business - WBE 1321
    - Veteran Business - VOB 51
    - Service Disabled Veteran Business - SDVOB 20
    - Individual with Disability Business - IWDBE 18
  - Nick Callazzo inquired about Veteran businesses and Ken Anderson inquired about the Individual with Disability businesses. Michelle responded that both certification groups are growing, although at a slow pace, and that locating IWDBEs that are for-profit enterprises is a noted challenge as many of the businesses in this category are not-for-profit businesses and it seems to be a historical Delaware trend.

- **OSD recognition of awards and recognitions since last meeting:** Michelle Morin recognized the following for their recent honors and awards:
  - Jayshree Moorthy, CEO of Frontier Technologies Inc. was recognized as receiving two awards. Jayshree shared that she is very proud to be a Delaware business and does not want to be anywhere else. While Jayshree is CEO, she has begun the family business succession plan to transition leadership and control to her daughter Reshma Moorthy, who is the President of the company. The two awards are:
    - WBENC National Star 2018 Award. Nationally WBENC has 13 Regional Partner Organizations (RPO); each selects one WBE member for recognition based on stringent criteria. This honor will be bestowed at the Summit and Salute in March.
    - EMSDC Class III Awardee. NMSDC's regional partner EMSDC honored Frontier Technologies as the Class III Awardee in December. This category is for MBEs with revenue between \$10M and \$50M and number of employees over 30.
  - DuPont and Loren Hopkins Taylor were recognized as receiving fifteen awards in 2017 for Supplier Diversity excellence. Loren shared the DuPont is proud to be recognized for these awards, and especially that the awards are peer recognition, supplier recognition, and for industry activities by her colleagues. She shared that for some awards DuPont was nominated by others and for some companies must self-nominate. For those, Loren shared that it could take as many as 100 hours to gather information and complete the nomination applications. She shared that the ratio is about half-and-half for being nominated by other and self-nominating. Additionally, Loren received recognition and an award. Some of the 2017 awards bestowed to DuPont for Supplier Diversity include:
    - WBENC's local RPO WBEC awarded Loren as the Advocate of the Year.
    - Top Corporation of the Year -WBENC
    - Four DuPont buyers were named Corporate Buyers of the Year for driving supplier diversity by MBA USA
    - Top 100 Corporations for Women's Business Enterprises - Women's Enterprise magazine
    - 50 Top Companies for Supplier Diversity - Black Enterprise
    - NGLCC/NBIC Best of the Best Corporation for Inclusion
    - Best of the Best Top Supplier Diversity Programs - Hispanic Network and Black EOE Journal - DiversityComm
    - Top score of 100% on the U.S. Disability Equality Index (DEI) - USBLN
    - Top Noteworthy Companies - DiversityInc
    - Top score of 100% on the Corporate Equality Index – LGBT
  - OSD and Michelle Morin was recognized as receiving the Phoenix Award from NMSDC's regional partner EMSDC in December.
  - Theresa Brown Edwards offered her Congratulations to Loren, Jayshree, and Michelle on these awards. Ken joined her in that regard.
- **DuPont update:** Chair Ken Anderson asked Loren Hopkins Taylor of DuPont to share an update as to recent supplier diversity happenings and DuPont news. Loren shared that DuPont had just hosted the February 28 EMSDC Quarterly Meeting at DuPont corporate headquarters. There were 135 MBEs registered to attend and approximately 110 attended.

- GSDC was invited to attend, and present were: Jayshree Moorthy, Nick Callazzo, Givvell Marrero, Loren Hopkins Taylor, and Michelle Morin.
- This event was sponsored by DuPont and was therefore free attendance for MBEs and opened to Delaware businesses beyond those who are EMDSC members. EMSDC invited OSD to share this event via the OSD List Serve. Various Delaware diverse businesses participated.
- The Agenda included a presentation of Supplier Diversity at DuPont over the 45 year history of the company's commitment to diverse suppliers. This was co-facilitated by Loren and her colleague Leslie Muir. OSD shared a brief overview of Delaware's Supplier Diversity activities and outcomes as well as the greeting and regrets of our Chief Procurement Officer. EMSDC shared priorities for the 2018 year, including global activities that EMSDC is focusing MBEs on.
- The keynote presentation was by a law firm and accounting firm who shared an educational overview of the 2018 tax reform and what changes are anticipated. Loren mentioned that the 81 pages presentation showed tax code before and post the change, and discussed small business and personal tax changes. The IRS regulations are not yet promulgated and the panel of presenters offered to share more information after such occurred. This education and presentation was very well received by attendees. Theresa Brown Edwards inquired if the slide deck might be shared with GSDC. Loren responded that she will check for permission and will share back. Theresa thanked Loren for inquiring if it is possible to share the deck.

#### **Under Old Business,**

- Chair Ken Anderson opened the conversation regarding the Calendar, mentioned that everyone has a copy and that the meetings are as scheduled for 2018.
- Chair Ken Anderson mentioned the need for a Quorum at each meeting so that the business of the Council can be conducted and for the regular review and acceptance of Meeting Minutes.
  - Theresa Brown Edwards, Esq. inquired if the Bylaws provide for a quorum and attendance rules. Michelle responded that it is anticipated that a template of standardized Bylaws for Delaware Boards and Council will be forth coming from the Governors Boards and Commissions Office. When it is available it will be shared for discussion at a future GSDC meeting.
  - Chair Ken Anderson requested that Michelle Morin discuss the Initiative. The Initiative is presently set as: "Create a Whitepaper that lays out a framework of what businesses (traditional, diverse, and small) need in Delaware". Council and Liaisons are asked to assist by creating a list of questions that business owners are asking, that includes what support they need. The request is for 10 questions from each of you, organized within the three phases of business 1 - Start up, 2 – Maintain, and 3 - Grow and Expand. Michelle asked for all questions for the Initiative to be shared with her and she will collect, collate, and share the list back to Council.
  - Theresa Brown Edwards, Esq. queried if there is a new direction or priorities from the Governor to determine if there is any new direction from the Governor for this Council. She also inquired if the work of the initiative is for Council to perform or for Council to recommend to the Governor.

- Ken responded that regarding the Division of Small Business Development and Tourism, their roles of employees and the work of the Division will be synergistic to the GSDC Initiative we are discussing. Ken shared that we know the Governor has a laser focus as to policy to small business and minority and women businesses and Ken further indicated that he and OSD continued to suggest focus is on the full diversity business sector.
- Ken shared that he believes the conversation of the DPP, now that the CEO will be named today, may expand the Divisions work.
- Ken mentioned that an end of year outcome to consider as a recommendation to Governor Carney works and that he wishes to have a conversation with Albert Shields about the scheduling of meetings.
- Theresa Brown Edwards, Esq. reflected that this initiative seems ripe to a new Governor and new Administration, to help level-set at the beginning rather than at this time-table now that this Administration has been in office for one year. She shared her concern that without an opportunity to be in front of the Governor sooner than the end of the year, there may be a missed window of opportunity to add value to the Administration in meeting his targets. Ken responded acknowledging the expressed concern and shared that we are not sure that we know more from Governor Carney as to his targets. He is hoping for more understanding within the next two years. Nick Callazzo also acknowledges and share there is a feeling similar to being in no-man's-land. Givvel Marrero agreed. Theresa circled back pondering 'where is our value and how do we help this Administration do more?' She suggested Council needs to think this through and that is needs to happen before December, and before June. Jayshree Moorthy agreed, stating it should be now. Ken responded that by the May 15 meeting he is certain there will be engagement to look at targeted initiatives to support a December recommendation to the Governor. A vote of Council should occur for what GSDC will present to the Governor in December.

**Public Question / Comment:**

- At 2:57pm, Chair Ken Anderson opened the floor for public comment. There were not any members of the public in the meeting rooms. It is unknown if any members of the public were on the phone as none self-identified.

**Next Meeting:**

The next meeting is set for May 15, 2018, from 10:30am to 12noon in Wilmington as the primary location, with the possibility of video-conferencing between Wilmington and Dover.

**Meeting Adjournment:**

Meeting adjourned by Ken Anderson, GSDC Chair, at 3:02pm upon motion by Nick Callazzo and seconded by Givvel Marrero.